

92. GAS FRANCHISE

92.01. Franchise Granted. Peoples Natural Gas Company, Division of Internorth, Inc., its lessees, successors and assigns (hereinafter referred to as Grantee), be and are hereby granted a non-exclusive franchise for a period of twenty (20) years, to erect, construct, maintain and operate, a gas distribution system and any and all necessary mains, pipes, services and other appurtenances and equipment thereunto appertaining in, upon, over, across and along the streets, alleys, bridges and public places in the City of Rochester (hereinafter referred to as City) for the transmission, distribution and sale of natural and/or mixed gas for lighting, heating, industrial and all other uses and purposes in Rochester and for the purpose of transmitting, transporting and conveying such gas into, through or beyond the immediate limits of Rochester to other cities, towns and customers.

92.02. Duties of Grantee; Construction and Maintenance. Subdivision 1. Whenever the Grantee, in the construction or maintenance of its system or in the installation of any extension thereto, shall cut into or take up any pavement or shall make any excavation in any street, avenue, alley or public place, within the corporate limits of the City the same shall be done in a manner so as not to unreasonably interfere with the use of such thoroughfares by the public. The Grantee shall use such safeguards as may be necessary to prevent injury to persons or property during such construction work and upon its completion, all pavement shall be replaced in as good condition as it was before taken up. All excavations shall be refilled and all obstructions shall be removed at the expense of the Grantee and to the satisfaction of the City. In the event that the Grantee shall fail to comply with the provisions of this Section after having been given reasonable notice the City may do such work as may be needed to properly repair said thoroughfare and the cost thereof shall be repaid to the City by the Grantee.

Subd. 2. The Grantee in constructing and maintaining said gas distribution system, and in entering and using said streets, highways, avenues, alleys and public places in the City and in laying and installing its mains, services, piping, and related appurtenances and equipment, shall not in any manner interfere with or injure any improvement which said City now has or may hereafter have upon any of its streets, alleys, highways or public places.

92.03. Service Standards; Expansion of System. Subdivision 1. Grantee agrees for and in behalf of itself, its lessees, successors and assigns, that for and during the term and period of this grant, it will maintain in the City an adequate, modern, standard and sufficient gas system and equipment and will maintain and operate the same in a modern and adequate fashion.

Subd. 2. Grantee will from time to time during the term of this Ordinance make such enlargements and extensions of its distribution system as the business of the Grantee and the growth of said City justify, in accordance with its rules and regulations relating to customer connections and main and service line extensions currently in effect and on file from time to time with the Minnesota Public Utilities Commission or other competent authority having jurisdiction in the premises; provided, however, that no obligation shall extend to, or be binding upon the Grantee, to construct or extend its mains or furnish natural gas or natural gas service within said City if Grantee is, for any reason, unable to obtain delivery of natural gas at or near the corporate limits of said City or an adequate supply thereof to warrant the construction or extension of its mains, for the furnishing of such natural gas or gas service; provided, further, that when the amount of natural gas supplied to Grantee at or near the City limits of said City is insufficient to meet the additional firm requirements of connected or new consumers, Grantee shall have the right to prescribe reasonable rules and regulations for allocating the available supply of natural gas for such additional firm requirements to residential, commercial and industrial consumers in that order of priority.

92.04. City Rights Reserved. Grantee agrees for and in behalf of itself, its lessees, successors and assigns, that all authority and rights in this Ordinance contained shall at all times be subject to all rights, power and authority now or hereafter possessed by the City to regulate the manner in which Grantee shall use the streets, alleys, bridges and public places of said City and concerning the manner in which Grantee shall use and enjoy the franchise herein granted.

92.05. Quality of Gas. Grantee shall, at all times, maintain an adequate pressure and adequate supply of clean, standard gas of the British Thermal Unit heating value of not less than that prescribed in its rules relating thereto in effect and on file from time to time with the Minnesota Public Utilities Commission or other competent authority having jurisdiction in the premises. Should the British Thermal Units fall below the limitation set forth in its appropriate rules, the rate then in effect shall be automatically and correspondingly lowered and reduced during any period or periods of time in which such lower British Thermal Unit value shall be furnished. The City shall have the privilege of requesting a Grantee to furnish satisfactory proof of British Thermal Unit content of the gas.

92.06. Indemnification of City. The grantee, for itself and its successors and assigns, agrees that, while the term hereof continues, it will at all times, save, protect, indemnify and hold harmless the said city from any and all claims, obligations, liabilities or judgments, legally established, arising, growing out of, or flowing from the construction, operation and maintenance of said gas plant and/or gas system by Grantee, its successors and assigns, and due to or caused by the fault or negligence of the Grantee.

92.07. Default of Grantee. If the Grantee shall be in default in the performance of any of the terms and conditions of this Chapter and shall continue in default for more than thirty (30) days after receiving notice from the City of such default, the said City may, by ordinance duly passed and adopted, terminate all rights granted under this Ordinance to the Grantee. The said notice of default shall specify the provision or provisions in the performance of which is claimed the Grantee is in default. Said notice shall be in writing and served in the manner provided by the laws of the State of Minnesota for the service of original notices in civil actions.

(903, 8/15/55; 1112, 8/7/61; 1371, 9/19/66; 1576, 12/14/70; 1630, 1/4/72; 2241, 8/9/82)